

DEPARTMENT OF STATE
WASHINGTON

Ref ERI-1263

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August 14, 1950

Dear Admiral Hillenkoetter:

In accordance with our telephone conversation today,
I am sending you herewith the correct version of the State-
Defense Staff Study on "Production of National Intelligence."
In this document, page 5 of the staff study and pages 9 and
10 of the proposed directive differ from the corresponding
pages of the version transmitted with my letter of July 7.

I regret the inconvenience which may have been caused
you.

Sincerely yours,

James E. Webb
Under Secretary

Rear Admiral R. H. Hillenkoetter,
Director of Central Intelligence,
Washington.

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1 September 1950

MEMORANDUM FOR: CHIEF, COAPS

SUBJECT: NSC DIRECTIVE

1. On 14 August 1950, Mr. Webb forwarded to the Director the corrected version of the State-Defense Staff Study on Production of National Intelligence. Shortly thereafter General Magruder discussed the changes with the Director on the telephone. As a result the Director asked me to go through the State-Defense proposed NSC Directive and eliminate the features that were objectionable under our theory of the Director's responsibilities. I prepared such a draft and the Director gave it to General Magruder. He thereupon requested a meeting to consider points of difference.

2. On Monday, 21 August, there was a meeting between the Director, General Magruder and myself, at which my draft of the Directive was discussed with agreement by General Magruder to some of our changes and further suggestions by him for rewording the Directive in an acceptable manner. As a result of this conversation, the Director asked me to do still another draft incorporating all points at that time agreed upon. This I have done adding, however, on my own initiative, certain points included in our old draft of NSCID No. 1 but not discussed at the meetings with General Magruder.

3. When working on these recent drafts, I proceeded on the assumption that the purpose was to eliminate points of difference between ourselves and some of the other intelligence agencies. It appears now that General Magruder wants to consider this as a paper which can be agreed on for presentation to the National Security Council at the earliest opportunity. It appears that the Director is prepared to accept this position.

4. I, therefore, suggested that I present the paper to COAPS inasmuch as they would need to prepare it for the IAC procedure. The Director approved reference to you for information only, but I would very much appreciate your comments. For your information,


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I believe that while the paper as now drafted presents few points which are basically objectionable, its whole tenor is negative and leads to the IAC Estimates Committee concept. Also its emphasis is largely on the internal workings of CIA and upon detailed points of organization and procedure with which the National Security Council should not be concerned. //

5. Please call on me if I can furnish any further information you need.

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LAWRENCE R. HOUSTON
General Counsel
Legal Staff

Attachments:

- (A) Revised State-Defense Staff Study dated May 1, 1950, with covering memo dtd 14 August 1950. ER 1-1263
- (B) OGC draft of State-Defense Directive indicating objectionable points to be eliminated and underlining new wording. copy 3 of 4.
- (C) Clean draft effecting changes in Attach B.
- (D) Clean draft of final revision reflecting points agreed on between the Director and General Magruder, except for certain portions completely redrafted and OGC additions.